

NC Medicaid National Drug Code (NDC) Seminar

November 2007

Presented by: EDS



[Objectives]

- Understand NDC Guidelines
- Become Familiar with Billing Requirements
- Utilize Additional Resources

[Who?

- Physicians
- Nurse Practitioners
- Nurse Midwives
- Federally Qualified Health Centers
- Rural Health Centers
- Local Health Departments

[Who?

- Dialysis Treatment Centers (non-hospital-based)
- Satellite Dialysis Centers
- Out-of-State Dialysis Centers
- 340b Providers

[What?

- National Drug Code (NDC)
 - Assigned to Drug upon FDA approval
 - Unique Three Segment Number
 - Universal Product Identifier
- NDC will be required on claims for drugs covered under the Physician's Drug Program (PDP)

[When?

- Effective with Dates of Service on or after **December 28, 2007**

[Where?

- NDC is found on package/vial

NDC is located here (10-digit format)



[Why?]

- Deficit Reduction Act of 2005
- Federal Legislation
- Medicaid Drug Rebate Program

[Medicaid Drug Rebate Program]

- Drug Manufacturers must sign National Medicaid Drug Rebate Agreement with Centers for Medicare and Medicaid Services (CMS)
- Required for states to receive Federal funding for outpatient drugs dispensed to Medicaid patients

[Medicaid Drug Rebate Program]

- If Manufacturers do not sign this agreement, their drugs will NOT be covered by Medicaid
- These drugs are known as **non-rebatable**

[Medicaid Drug Rebate Program]

- NC Medicaid Pharmacy Program has operated under Drug Rebate Program since 1991
- Average Annual Savings: ?

30%

[Drug Rebate Labeler Codes]

<http://www.ncdhhs.gov/dma/pharmacy.htm>

- Quick Pharmacy Links
- Active Drug Rebate Labeler Codes
- Updates Quarterly
- First 5 digits of NDC identify participating Labelers in Rebate Program

[Drug Rebate Labeler Codes]

Active Drug Rebate Labelers (as of 8/15/2007)

This information is updated once a quarter at the end of Feb, May, August and November. More information on drug rebate labeler updates can be found in the monthly pharmacy newsletters.

00002	ELI LILLY AND COMPANY	
00003	E.R. SQUIBB & SONS, INC.	
00004	HOFFMANN-LA ROCHE	
00005	LEDERLE LABORATORIES	
00006	MERCK & CO., INC.	
00007	GLAXOSMITHKLINE	
00008	WYETH LABORATORIES	
00009	PFIZER, INC	
00013	PFIZER, INC.	
00015	MEAD JOHNSON AND COMPANY	
00023	ALLERGAN INC	
00024	SANOFI-AVENTIS, US LLC	
00025	PFIZER, INC.	

[NDC Segments]

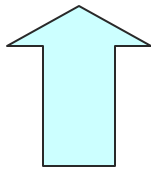
- 11 Digit Format

999999-99999-99

[NDC Segments]

- 11 Digit Format

99999-9999-99

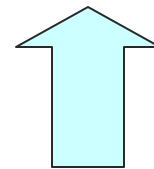


Labeler

[NDC Segments]

- 11 Digit Format

999999-**99999**-99

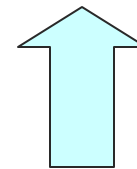


Product Code

[NDC Segments]

- 11 Digit Format

999999-9999-**99**



Package Code

[NDC Formats]

- NDC can be displayed in 10 digit format
- Proper billing requires 11 digit NDC in 5-4-2 format

[NDC Required Format]

- 5-4-2 Format

999999-99999-99

5 - 4 - 2

[Converting NDCs]

- 10 digit formats include:
 - 4-4-2
 - 5-3-2
 - 5-4-1
- Requires **strategically** placed zero to convert to 11 digit format

[Converting 4-4-2 to 5-4-2]

- Example: Zyprexa 10 mg vial
- 10 digit NDC: 0002-7597-01
- 11 digit conversion: **00002** -7597-01

[Converting 5-3-2 to 5-4-2]

- Example: Xolair 150 mg vial
- 10 digit NDC: 50242-040-62
- 11 digit conversion?

50242- **0040** -62

[How Will My Claim Pay?]

- Pricing based on HCPCS code and units
- Edits and Audits will remain in place



[How do I know if my HCPCS Requires an NDC?]

www.ncdhhs.gov/dma/fee/phy_drug.pdf

- Physician's Drug Program Fee Schedule
Asterisk represents NDC Requirement

[PDP Fee Schedule]

- Optical Program (CPT / HCPCS)
 - [Adobe Acrobat Format](#) - *updated 01/01/07*
 - [Microsoft Excel Format](#) - *updated 01/01/07*
- Orthotic and Prosthetic Devices
 - [Adobe Acrobat Format](#) - *updated 04/01/07*
 - [Microsoft Excel Format](#) - *updated 04/01/07*
- Physician Drug Program
 - [Adobe Acrobat Format](#) - *updated 10/01/07*
 - [Microsoft Excel Format](#) - *updated 10/01/07*
- Physician Services (CPT / HCPCS)
 - [Adobe Acrobat Format](#) - *updated 08/22/07*
 - [Microsoft Excel Format](#) - *updated 08/22/07*
 - [Adobe Acrobat Format](#) - *updated 07/01/06*
 - [Microsoft Excel Format](#) - *updated 07/01/06*
- Rural Health Clinic (CPT / HCPCS)

[PDP Fee Schedule]

Procedure Code	Description	Maximum Reimbursement Rate	Rate Effective Date	Invoice Required
J0610	Calcium gluconate, per 10ml, injection (Kaleinate)	\$0.58	10/1/2007	
J0620	Calcium glycerophosphate and calcium lactate, per 10ml, injection (Calphosan)	\$12.94	10/1/2007	
J9045	Carboplatin, 50 mg (Paraplatin)	\$8.46	10/1/2007	
J9050	Carmustine, 100 mg (BiCNU)	\$139.84	10/1/2007	
J0690	Cefazolin Sodium, 500 mg, Injection (Ancef, Kefzol, Zoliicef)	\$1.42	10/1/2007	
J0692	Cefepime HCL, 500 mg, injection (Maxipime)	\$8.25	10/1/2007	
J0698	Cefotaxime Sodium, per g (Claforan)	\$4.88	10/1/2007	
J0694	Cefoxitin Sodium, 1g, injection (Mefoxin)	\$8.19	10/1/2007	
J0712	Ceftazidime, per 500 mg, Injection (Fortaz, Tazidime)	\$4.00	10/1/2007	

[NDC Exceptions]

- Vaccines
- Radiopharmaceuticals
- Some Immune Globulins

[PDP Fee Schedule]

Procedure Code	Description	Maximum Reimbursement Rate	Rate Effective Date	Invoice Required
J2993	Reteplase, 18.1 mg, injection (Retavase)	\$899.51	10/1/2007	
J7120	Ringer's lactate infusion, up to 1,000 cc	\$0.90	10/1/2007	
J2794	Risperidone, long acting 0.5 mg, inj. (Risperdal Consta)	\$4.85	10/1/2007	
J9310	Rituximab, 100 mg (Rituxan)	\$496.22	10/1/2007	
J2820	Sargramostim (GM-CSF), 50 mcg, injection (Leukine)	\$25.31	10/1/2007	
J3490	Sodium bicarbonate, 7.5%, inj, up to 50 ml	manual	5/1/2006	y

[Invoices]

- J2353
 - J3490
 - J3590
 - J9999
-
- If only one NDC is dispensed per HCPCS.....

[Invoices

Your Claim can be Billed
Electronically!



[Compound Drugs]

- J3490
- Invoices still required when billing compounds

[Recap]

- NDC Required on Claims beginning Date of Service December 28, 2007
- NC Medicaid Only Covers Rebatable Drugs
- NDC Must be Reported in 5-4-2 Format



Claims Processing

Reporting your
National Drug Code (NDC)
to Medicaid

[NDC Review]

- NDC Required on Claims beginning Date of Service

December 28, 2007

- NC Medicaid Only Covers _____ Drugs
Rebatable

- NDC Must be Reported in _____ Format
5-4-2

[NDC is . . .]

- An addition to current claim elements
- Placement on claims
 - CMS-1500 - Delineated Block 24
 - UB - FL 43
 - Electronic Claims -
Populates 2410 Loop

[Data Elements]

1. Qualifier – **N4**
2. 11 Digit NDC
3. Unit of Measure
4. NDC Units Value (Quantity)
 - Example: 1234567.123

[Units of Measure (UOM)]

- F2 (international unit)
- GR (gram)
- ML (milliliter)
- UN (unit)

[Elements

]

N4 00009737604 **ML1**

[Paper Claim Elements]

- Qualifier - N4
- NDC - Limited number per HCPCS
 - Three per CMS 1500
 - Ten per UB
- Unit of Measure (UOM)
- Quantity

[CMS-1500]

Submit information in

- Boxes 24A-H
- Upper Shaded Portion of the Delineated Line
- Additional Information:

www.nucc.org

[CMS – 1500 with 1 NDC]

Single NDC Example:

NDC – 00009737604 - DEPO-PROVERA 150 MG/ML SYRN

If 1 HCPCS unit is billed, it should be converted to 1 ml for the NDC(s) units.

	24. A. DATE(S) OF SERVICE						B. PLACE OF SERVICE	C. EMG	D. PROCEDURES, SERVICES, OR SUPPLIES (Explain Unusual Circumstances)				E. DIAGNOSIS POINTER	F. \$ CHARGES	G. DAYS OR UNITS	H. EPSDT Family Plan	I. ID. QUAL	J. RENDERING PROVIDER ID. #
	From	To	MM	DD	YY	MM	DD	YY	CPT/HCPCS	MODIFIER								
1	N400009737604	ML1															ZZ	123456789XX
	06 01 08	06 01 08	11						J1055	FP				50.00	1		NPI	0123456789
2																		
																	NPI	

NPI Implementation example with taxonomy

[00009737604 –
DEPO-PROVERA 150 MG/ML SYRN

24. A. DATE(S) OF SERVICE						B. PLACE OF SERVICE	C. EMG	D. PROCEDURE (Explain Un CPT/HCPCS
From		To						
MM	DD	YY	MM	DD	YY			
N400009737604 ML1								
06	01	08	06	01	08	11		11055

[CMS – 1500 with 2 NDCs]

Two NDCs billed for a single HCPCS code example:

NDC – 00703301812 – ADRUCIL 50 MG/ML VIAL

NDC – 00703301513 – ADRUCIL 50 MG/ML VIAL

24. A. DATE(S) OF SERVICE							B.	C.	D. PROCEDURES, SERVICES, OR SUPPLIES				E.	F.	G.	H.	I.	J.
From To							PLACE OF		(Explain Unusual Circumstances)				DIAGNOSIS	\$ CHARGES	DAYS	EPSDT	ID.	RENDERING
MM	DD	YY	MM	DD	YY		SERVICE	EMG	CPT/HCPCS	MODIFIER			POINTER		OR	Family	QUAL.	PROVIDER ID. #
N400703301812 ML50 N400703301513 ML10																	1D	890XXXX
01	01	08	01	01	08	11			J9190					50.00	6	N	NPI	0123456789
																	NPI	

Prior to NPI Implementation with Medicaid provider number

[2 NDCs]

24. A. DATE(S) OF SERVICE						B.	C.	D. PROCEDURES, SERVICES, OR SUPPLIES				E.
From			To			PLACE OF	EMG	(Explain Unusual Circumstances)				DIAGNOSIS
MM	DD	YY	MM	DD	YY	SERVICE		CPT/HCPCS		MODIFIER		POINTER
N40070330	18	12	ML	50				N40070330	15	13	ML	10

Same labeler – Same drug -- BUT

Different strength – Different vial size

[UB

- Enter data elements in FL 43:
 - N4 Qualifier
 - 11 Digit NDC
 - Unit of Measure (UOM)
 - NDC Units
- Additional Information: www.nubc.org

[UB with 1 NDC]

Example: J1270 – Doxercalciferol, 1 mcg

NDC – 58468012201 - HECTOROL 4 MCG/2 ML AMPUL (or 2 mcg/ml)

If 20 J-code units are billed, they should be converted to 10 ml for the NDC units.

	42/REV. CD.	43 DESCRIPTION	44 HCPCS / RATE / HIPPS CODE	45 SERVL DATE	46 SERVL UNITS	47 TOTAL CHARGES	48
1	250	N458468012201 ML10	J1270	010508	20	311.80	
2							
3							
4							
5							
6							

58468012201 –
HECTOROL 4 MCG/2 ML AMPUL

42 REV. CD.	43 DESCRIPTION	44 HCPCS / RATE / HIPPS CODE
1 250	N458468012201 ML10	J1270
2		
3		
4		

I

NDC - 00517234010 - VENOFER 20MG/ML (or 100 mg/5 ml)

42 REV. CD	43 DESCRIPTION	44 HCPCS / RATE / HIPPS CODE	45 SERV. DATE	46 SERV. UNITS	47 TOTAL CHARGES	48
1	250	N400517234010 ML.05	J1756	021608	1	6.88
2						
3						
4						
5						
6						
7						
8						
9						
0						

00517234010
— VENOFER 20MG/ML

42 PREV CO	43 DESCRIPTION	44 HCPCS / RATE / HIPPS CODE
1 250	N400517234010 ML.05	11756
2		
3		
4		

[UB with 1 NDC]

Example: J2550

NDC -60977000101- PHENERGAN 25 MG/ML AMPUL

If 1 J-code unit is billed, no conversion is required.

	42 PREV. CD.	43 DESCRIPTION	44 HCPCS / RATE / NDC CODE	45 SERVL DATE	46 SERVL UNITS	47 TOTAL CHARGES
1	250	N460977000101ML2	J2550	011508	1	2.78
2						
3						
4						
5						
6						
7						

[Elements

]

N4 60977000101 **ML** **2**

[837 Instructions]

- Primary Resource:
HIPAA Implementation Guide
 - <http://www.wpc-edl.com/>
 - Populate NDC information in 2410 Loop
- NC Companion Guide: Supplemental Information

[NCECS Webtool]

- Additional Fields Created:
 - NDC
 - NDC Units
- Units of Measure not required on NCECS Webtool

Webtool CMS - 1500

Detail Service Information							
From Date of Service MM/DD/YYYY		Through Date Of Service MM/DD/YYYY		Place of Service 99		HCPCS/CPT XXXXX	
Other Insurer Information							
Insurer Detail Allowed Amt 9		Insurer Detail Paid Amt 9		Insurer Detail de 9			
NDC Information							
NDC	NDC Units	NDC	NDC Units	NDC	NDC Units	NDC	
99999999999	9999999.999	99999999999	9999999.999	99999999999	9999999.999	9999999.999	
99999999999	9999999.999	99999999999	9999999.999	99999999999	9999999.999	9999999.999	

Detail Service Information							
From Date of Service		Through Date Of Service		Place of Service		HCPCS/CPT	
Mod1							
Insured Information		Insurer Detail Allowed Amt		Insurer Detail Paid Amt		Insurer Detail de	
NDC Information							
NDC	NDC Units	NDC	NDC Units	NDC	NDC Units	NDC	NI
00009737604	1						

[Example – Depo Provera]

Detail Service Information

From Date of Service	Through Date Of Service	Place of Service	HCPCS/CPT	Modl
06012008	06012008		J1055	FP

Insured Information

Insurer Detail Allowed Amt	Insurer Detail Paid Amt	Insurer Detail de

NDC Information

NDC	NDC Units	NDC	NDC Units	NDC	NDC Units	NDC	NI
00009737604	1						

[Example – Depo Provera]

Insured Information			
Insurer Detail Allowed Amt		In	
<input type="text"/>			
NDC Information			
NDC	NDC Units	NDC	NDC Unit
<input type="text" value="00009737604"/>	<input type="text" value="1"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

[Webtool - UB]

UB-
Data

Claim ID:

999999999999999999

Save

Cancel

n

XXXXXXXXXXXXXXXXXXXX

Medicaid II

#	Rev Code	HCPCS/CPT	Service Date	Accom Rate	Accom Days
1	999	XXXXXX	MM/DD/YYYY		

NDC Information

NDC	NDC Units	NDC	NDC Units	NDC	NDC Units	NDC
999999999999	9999999.999	999999999999	9999999.999	999999999999	9999999.999	999999999999
999999999999	9999999.999	999999999999	9999999.999	999999999999	9999999.999	999999999999

Rev Code	HCPCS/CPT	Service Date	Accom Rate	Accom Days
----------	-----------	--------------	------------	------------

...

NDC Information

NDC	NDC Units	NDC	NDC Units	NDC	NDC Units	NDC
58468012201	10					

[Example - Hecterol]

Rev Code	HCPCS/CPT		Service Date
<input type="text" value="250"/>	<input type="text" value="J1270"/>	<input type="text" value="..."/>	<input type="text" value="01052008"/>

NDC Information

NDC	NDC Units	NDC	NDC Units
<input type="text" value="58468012201"/>	<input type="text" value="10"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

[

]

Rev Code

HCPCS/CPT

250

J1270

...

NDC Information

NDC

NDC Units

NDC

58468012201

10

[Secondary Claims]

- NDC required on secondary claims
- Exception - Professional Medicare Crossovers
- Professional crossovers are Phase II of NDC project

[When Will My Claim Deny?]

- NDC is invalid or incorrectly formatted
- NDC is terminated/expired
- No NDC reported with HCPCS
- NDC is non-rebatable
- NDC not specific to HCPCS code



New EOB Codes

New EOB Codes created for
NDC Program

EOB 8989

- Description: NDC INVALID
- Resolution: VERIFY AND ENTER THE CORRECT NDC AND SUBMIT AS A NEW CLAIM

EOBs 8990 - 8999

- Description: IF REPORTING MULTIPLE NDCs, IDENTIFIES WHICH NDC IS INVALID
- Resolution: VERIFY AND ENTER THE CORRECT NDC AND SUBMIT AS A NEW CLAIM

EOB 9011

- Description: NDC WAS TERMINATED FOR THE DETAIL DATE OF SERVICE BILLED
- Resolution: VERIFY AND ENTER THE CORRECT NDC AND SUBMIT AS A NEW CLAIM

EOBs 9012 - 9021

EOB 9992

- Description: NDC MISSING
- Resolution: VERIFY AND ENTER THE CORRECT NDC AND SUBMIT AS A NEW CLAIM

EOB 9496

- Description: NDC IS NON-REBATABLE
- Resolution: VERIFY AND ENTER THE CORRECT NDC AND SUBMIT AS A NEW CLAIM

EOBs 9497 - 9506

EOB 9904

- Description: CMS 1500 CLAIM
WITH MORE THAN 3 NDC'S PER
PROCEDURE CODE
- Resolution: MUST BE BILLED
ELECTRONICALLY



Billing Tips

Helpful Hints to Assist You
with Claims

[Automated Voice Response System (AVRS)]

- 1-800-723-4337
- Verify NDC Coverage: Option 3
- Responses:
 - Covered
 - Non-rebatable
 - Not Allowed

[Guidelines Remain Consistent]

- Carolina Access
- Prior Approval
- Co-Payments
- Remittance and Status Report (RA)
- Adjustment Process

[Billing Tips]

- Do not use hyphens when reporting NDC on claims
- If NDCs on package and vial differ, report NDC on package
- Bill the NDC of the drug actually dispensed
 - No substitutes

[Billing Tips]

- NDC Unit Conversions

www.palmettogba.com/palmetto . . .

- For CMS – 1500s

- 3 NDCs allowed (EOB 9904)

- UBs and 837s - Up to 10 NDC codes and corresponding units allowed per HCPCS code

[Billing Tips (cont.)]

- FQHC/RHC Providers – use the C Suffix
- Modify office procedures
- Check your inventory for labeler codes
- All other Guidelines remain the same